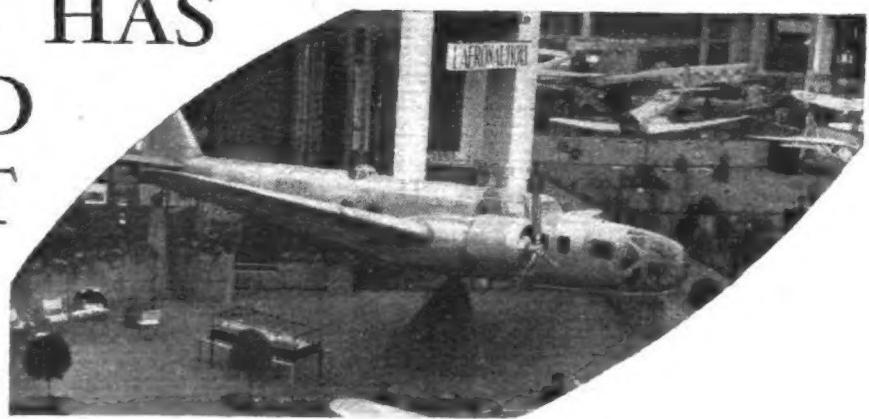


HOW FRANCE HAS NATIONALISED her AIRCRAFT INDUSTRY

*Plans and Administrative Methods
Fully Explained*



THE "nationalisation" of the various French aeroplane manufacturing companies, as authorised by French Parliament last summer, has begun to take definite form. In accordance with the principles elaborated at Geneva, the government desires directly to control all the industries devoted to the manufacture of war materials, including that of aeroplane construction. It is also desired to centralise the aviation factories and to concentrate the various companies in groups throughout the provinces, thus decentralising the comparatively large number of aviation concerns at present situated in and around the Paris district. By so doing the government likewise expects to control the alleged exorbitant profits made by manufacturers of various kinds of armament.

With this end in view five Sociétés Nationales de Construction Aéronautique are being formed, and will be located in various parts of France.

The organisation of the first has already begun. It is termed the Société Nationale de Construction Aéronautique de l'Ouest, and will be composed of the Breguet and Morane-Saulnier concerns, now located in the Paris district, together with the Loire-Nieuport factories, one of which is situated at Issy-les-Moulineaux (a Paris suburb) and the other (the principal one) at Saint Nazaire. The Breguet seaplane shops at Le Havre and the Morane factory at Puteaux (Paris) will, it is reported, not be acquired. The Breguet shops at Villacoublay will be taken over by the government Service Technique.

M. Henri de l'Escaillie, at present managing director of the Loire-Nieuport Company, will be the president of the new Société Nationale, and M. Marius Olive, director of the Breguet-Morane Saulnier Company, will be the administrative director. M. Marcel Nordman, a former magistrate, will also be a director, representing the government.

Preliminary Steps

As a preliminary step in the organisation of this Société Nationale, a small company of 100,000 francs capital, consisting of 200 shares of 500 francs par value each, has been formed, and will take over such assets of the constituent companies as are desired, also accepting orders as received pending the organisation period. The assets will be acquired by direct negotiation or after appraisal by experts.

Two-thirds of the capital stock of this small provisional company has been subscribed by the government, while the remainder has been taken by some twelve subscribers. MM. de l'Escaillie, Marius Olive and Marcel Nordman have acquired fifteen shares each. The Loire-Nieuport Company and three subscribers of that concern have ten shares, while Louis Breguet and four of the directors of his company have subscribed for eleven shares. It is reported that appraisal proceedings will be immediately begun.

The statutes of two other Sociétés Nationales have also just been filed:

(1) Those of the Société Nationale de Construction Aéronautique du Nord, which will comprise the Potez shops at Meaulte, the Amiot plant at Caudebec-en-Caux and the

Mureaux factory at les Mureaux. M. Henry Potez will be the administrative director.

(2) Those of the Société Nationale du Sud Ouest, which in turn will comprise the Courbevoie and Chateauroux plants of Marcel Bloch, the factory of the Union Co-operative Aéronautique (Blériot-Farman-les Mureaux) at Bégles, the Potez-Bloch shops at Bordeaux and the Lioré-Olivier plant at Rochefort. The Bureau d'Etude (design and drafting office) of Marcel Bloch will also be included, according to latest reports. M. Marcel Bloch will be the administrator.

As in the case of the organisation of the first Société Nationale, mentioned above, small managing companies of 100,000 francs capital each will be formed to acquire the assets and receive orders for the Société Nationale du Sud Ouest and that of the North during their organisation period. M. Henri de l'Escaillie will be the president of both, and M. Marcel Nordman will act as government administrator. The government will subscribe for 66½ per cent. of the capital stock—134 shares—in each company. In the case of the Société du Sud Ouest M. Marcel Bloch will take twenty-five shares, Mm. de l'Escaillie and Nordman fifteen shares each, while the remaining eleven shares will be distributed among five subscribers.

The list of the individual stockholders of the Société Nationale du Nord has not been announced as yet.

Other Organisations

The two remaining Sociétés Nationales will be likewise organised shortly. They will comprise:

(1) La Société Nationale du Centre, composed of the Hanriot plant at Bourges and the Farman shops at Billancourt, which will be transferred to Clermont-Ferrand. The Bureaux d'Etude of both Hanriot and Farman will, it is said, be also included. M. Outhenin-Chalandre, a capitalist interested in aviation matters, will be administrateur.

(2) La Société Nationale du Sud Est, composed of the Lioré et Olivier shops at Argenteuil, the Potez factories at Berre and Vitrolles, and the design offices of Lioré et Olivier and Romano. M. Georges Arène, one of the directors of Lioré et Olivier, will be the administrateur délégué.

The Amiot shops at Colombes or the Romano factory at Cannes will not, it is said, be acquired.

Mm. Félix Amiot and Emile Dewoitine will conduct separate bureaux d'étude and have their designs constructed in government factories. The Potez plant at Sart-Trouville has been taken over for an arsenal and a new forty-passenger transport machine is being constructed there from the plans of Michel Wibault. It is said that the Blériot plant at Suresnes will be used for the construction of light machines for l'aviation populaire.

It is not intended, the writer is informed, to construct any particular classes of machines in any one of these new national companies. The orders will be distributed throughout them according to the various districts.

The committee which has had charge of co-ordinating these different plants is headed by M. Pierre Cot.

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